

San Francisco County Economic Forecast

San Francisco County, located on a peninsula north of San Mateo County between the San Francisco Bay and the Pacific Ocean, is one of the state's largest tourist destinations. Like most other counties in the Bay Area, the county thrived in the late 1990s when technology was booming, but since the dotcom bust of 2000 the county has been slow to recover. San Francisco County has a population of almost 800,000 people, and over 510,000 wage and salary jobs making it a jobs center for the adjacent counties of Marin and San Mateo. The per capita income in San Francisco County is \$54,300, and the average salary per worker is among the highest in the state at \$70,612.

Employment growth in the Northern California region was weak in 2004, due primarily to the recovering Bay Area economies. In fact, employment in the greater Bay Area declined by one percent last year. Employment shrank by 6,180 total jobs in San Francisco County, representing the fourth straight year of employment decline. Total non-farm jobs declined by 1.2 percent last year. However the unemployment rate also fell, to 5.9 percent in 2004.

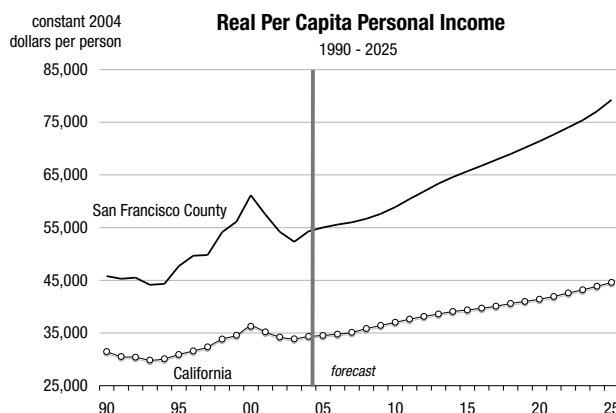
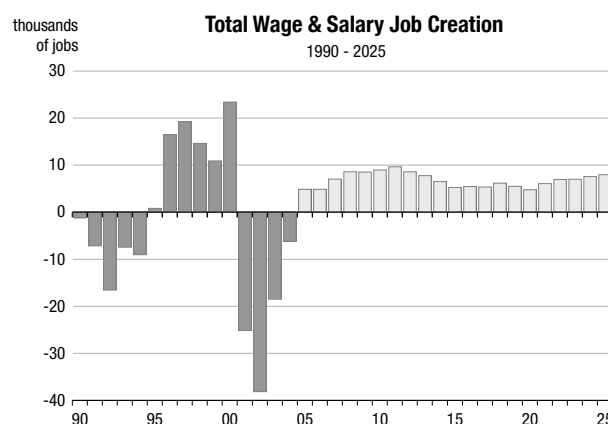
Two economic sectors created jobs in 2004: leisure services and education & healthcare services. The former was the result of increased tourism in the county. Combined, the two sectors added more than 1,000 jobs during 2004. Financial activities, information services, and the government sectors were especially weak in 2004, losing a combined total of approximately 1,000 jobs.

The population continues to grow in San Francisco County, but the growth rate remains low at just 0.7 percent between 2004 and 2005. Net migration was minimal with only 1,340 net migrants entering the county last year.

Employment growth is forecast to move higher in San Francisco County during 2005. The county will create more jobs and higher income levels as it continues to recover from the dotcom bust of 2000.

Forecast Highlights

- Job growth will turn positive in 2005, with total employment increasing by one percent. Over the next five years, the annual growth rate is forecast to average 1.4 percent per year.
- Average salaries adjusted for inflation are currently well above the California state average, and will remain so over the foreseeable future. Real average salaries are expected to rise an average of 0.7 percent per year over the next 5 years.
- Over the next five years, the momentum for employment growth is in professional services, leisure services, healthcare services, and information services. These sectors account for almost all of the job growth in the county.

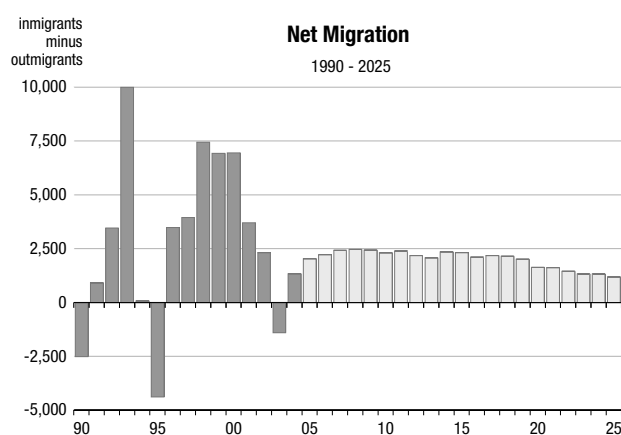
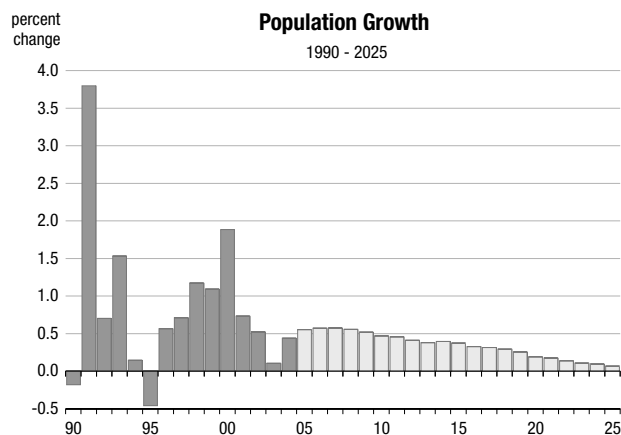


- Over the next two years, population growth will remain even with current rates, between 0.5 and 0.7 percent per year. Annual growth in the longer 2005 to 2015 period is forecast to average 0.5 percent per year.
- Net migration is expected to increase in 2005, to just over 2,000 people. Net migration is expected to increase over the next five years, averaging 2,400 people per year.
- Real per capita incomes are forecast to increase at a rate of 1.3 percent in 2005. Over the next five years real per capita incomes are forecast to increase 1.4 percent per year.
- Industrial production will increase a scant 0.5 percent in 2005. Over the next five years the growth rate of industrial production will increase, averaging gains of 1.3 percent per year.

San Francisco County Economic Forecast

1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	739,900	-4,378	428.5	309.6	515	\$9.6	\$26.9	\$47,679	2.0	2.4	4.55	6.1
1996	744,100	3,484	437.8	309.9	1,478	\$10.4	\$28.8	\$49,675	2.3	2.1	4.57	4.7
1997	749,400	3,953	418.5	309.7	1,721	\$11.0	\$30.1	\$49,794	3.4	2.0	4.77	4.1
1998	758,200	7,445	445.7	311.1	2,336	\$11.3	\$34.2	\$54,147	3.2	2.4	4.78	3.7
1999	766,500	6,926	453.9	312.7	3,811	\$12.3	\$37.3	\$56,146	4.2	2.1	4.45	3.0
2000	780,963	6,955	469.6	329.7	3,365	\$14.1	\$43.3	\$61,144	4.5	2.2	4.43	2.8
2001	786,703	3,707	469.1	330.8	1,819	\$12.5	\$43.2	\$57,470	5.4	2.3	3.66	5.2
2002	790,830	2,320	474.5	333.6	1,330	\$11.6	\$41.6	\$54,228	1.6	1.7	3.42	7.4
2003	791,684	-1,396	458.5	336.5	1,582	\$11.5	\$40.9	\$52,314	1.8	1.9	3.51	6.8
2004	795,180	1,339	469.1	337.6	2,368	\$12.3	\$43.2	\$54,302	1.2	1.8	3.56	5.9
2005	799,598	2,037	477.8	337.7	2,335	\$13.5	\$45.4	\$55,015	1.7	1.8	3.58	5.2
2006	804,196	2,228	484.3	339.2	2,210	\$14.3	\$47.3	\$55,588	2.7	1.8	3.61	5.1
2007	808,844	2,425	489.5	340.6	2,030	\$15.0	\$49.1	\$55,982	2.6	1.8	3.67	5.0
2008	813,361	2,472	494.1	341.8	1,892	\$15.7	\$51.2	\$56,697	2.6	1.8	3.70	4.9
2009	817,590	2,441	497.7	343.0	1,747	\$16.3	\$53.5	\$57,636	2.5	1.8	3.76	4.9
2010	821,442	2,308	500.6	344.1	1,711	\$16.9	\$56.2	\$58,901	2.7	1.8	3.82	4.9
2011	825,210	2,397	503.0	345.2	1,752	\$17.6	\$59.4	\$60,437	2.7	1.8	3.93	4.9
2012	828,622	2,185	505.1	346.3	1,805	\$18.4	\$62.7	\$61,886	2.8	1.8	3.99	4.9
2013	831,786	2,075	507.0	347.5	1,722	\$19.1	\$66.2	\$63,352	2.9	1.8	4.03	4.8
2014	835,093	2,352	508.6	348.5	1,488	\$19.9	\$69.6	\$64,609	2.9	1.8	4.04	4.7
2015	838,239	2,321	509.8	349.5	1,254	\$20.7	\$73.1	\$65,708	3.1	1.8	4.01	4.8
2016	841,004	2,106	510.6	350.3	1,104	\$21.5	\$76.5	\$66,762	3.0	1.8	4.08	4.8
2017	843,681	2,183	511.1	351.0	951	\$22.3	\$80.1	\$67,843	2.9	1.8	4.12	4.9
2018	846,162	2,149	511.9	351.6	819	\$23.1	\$83.7	\$68,961	2.7	1.8	4.20	5.0
2019	848,349	2,012	513.2	352.1	814	\$24.0	\$87.5	\$70,153	2.8	1.8	4.23	5.0
2020	850,003	1,630	514.9	352.6	796	\$24.9	\$91.4	\$71,372	2.7	1.8	4.19	5.0
2021	851,505	1,618	517.0	353.1	864	\$25.8	\$95.5	\$72,678	2.6	1.8	4.27	4.9
2022	852,703	1,449	519.2	353.6	928	\$26.8	\$99.8	\$74,048	2.6	1.8	4.41	4.8
2023	853,647	1,322	521.7	354.2	969	\$27.8	\$104.3	\$75,408	2.7	1.8	4.54	4.8
2024	854,486	1,323	524.4	354.8	1,011	\$28.8	\$109.4	\$77,103	2.7	1.8	4.67	4.8
2025	855,090	1,186	527.4	355.5	1,047	\$29.9	\$115.2	\$79,240	2.7	1.8	4.79	4.7



San Francisco County Employment Forecast

1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
1995	513.3	0.38	12.1	26.3	23.9	52.0	58.6	111.8	18.5	48.2	58.8	79.5
1996	529.9	0.36	12.7	26.0	23.7	53.0	59.9	122.0	18.9	50.2	60.8	79.2
1997	549.1	0.22	15.1	26.3	24.2	55.7	59.3	124.1	20.1	53.8	65.1	80.0
1998	563.8	0.27	16.7	25.2	24.1	57.6	60.8	130.5	21.6	55.9	68.1	77.0
1999	574.7	0.21	18.1	23.1	21.7	58.4	61.6	134.2	25.9	56.9	70.7	78.8
2000	598.1	0.27	18.8	21.6	21.2	60.8	62.9	144.2	34.7	52.6	72.2	83.8
2001	573.0	0.19	19.7	17.8	18.9	59.1	68.2	129.7	29.8	51.9	72.2	80.8
2002	534.9	0.25	17.9	15.1	17.9	56.2	63.5	111.6	23.7	51.7	69.9	84.4
2003	516.4	0.38	17.6	13.5	18.0	54.7	60.1	105.1	20.9	51.5	69.3	83.4
2004	510.2	0.35	17.5	13.4	17.6	53.7	58.9	104.4	19.8	52.0	70.0	81.4
2005	515.1	0.33	17.8	13.5	17.2	54.1	59.8	105.2	20.6	52.9	72.3	80.2
2006	520.0	0.32	18.0	13.9	16.9	54.5	60.4	106.6	21.4	53.7	74.2	79.3
2007	527.1	0.32	17.9	13.8	16.6	54.9	60.6	109.3	22.9	55.3	76.2	78.7
2008	535.7	0.32	17.7	13.5	16.3	55.4	60.8	112.3	24.7	57.1	78.8	78.2
2009	544.3	0.32	17.5	13.5	16.0	55.8	61.3	115.2	26.4	58.5	81.2	78.0
2010	553.3	0.32	17.4	13.4	15.7	56.2	61.9	118.5	28.1	59.7	83.5	77.9
2011	562.9	0.32	17.3	13.8	15.5	56.7	62.6	121.8	29.7	60.8	85.8	77.9
2012	571.5	0.32	17.3	13.7	15.2	57.2	63.3	125.0	31.0	61.9	87.9	77.9
2013	579.3	0.32	17.3	13.4	15.0	57.6	63.9	127.7	32.2	62.8	90.0	78.0
2014	585.9	0.32	17.1	13.0	14.8	57.9	64.6	130.0	33.3	63.8	91.8	78.2
2015	591.1	0.32	16.7	12.4	14.6	58.2	65.4	131.9	34.1	64.7	93.3	78.4
2016	596.6	0.32	16.4	12.4	14.4	58.6	66.1	133.2	35.2	65.7	94.6	78.6
2017	602.0	0.32	16.0	12.3	14.2	58.9	66.8	134.5	36.1	66.6	96.1	78.8
2018	608.2	0.32	15.7	12.2	14.0	59.2	67.5	135.7	37.4	67.8	98.0	79.1
2019	613.7	0.32	15.5	12.0	13.8	59.6	68.2	136.9	38.1	69.0	99.4	79.4
2020	618.5	0.32	15.4	11.4	13.6	60.0	68.8	138.2	38.7	70.1	100.8	79.7
2021	624.6	0.32	15.4	11.5	13.5	60.5	69.4	139.4	39.7	71.2	102.3	80.1
2022	631.5	0.32	15.4	12.1	13.3	60.9	70.1	140.6	40.3	72.4	104.2	80.4
2023	638.5	0.32	15.5	12.5	13.2	61.2	70.7	141.8	41.1	73.6	106.1	80.8
2024	646.1	0.32	15.6	12.9	13.0	61.6	71.5	143.0	42.2	74.7	108.3	81.3
2025	654.0	0.32	15.7	13.3	12.9	62.1	72.3	144.2	43.2	75.7	110.7	81.7

